

THE COMMONWEALTH OF MASSACHUSETTS
OFFICE OF THE COMMISSIONER OF BANKS
ONE SOUTH STATION, THIRD FLOOR
BOSTON, MASSACHUSETTS 02110

APPLICATION FOR APPROVAL TO ESTABLISH AND MAINTAIN A BRANCH OFFICE

PURSUANT TO MASSACHUSETTS GENERAL LAWS CHAPTER 171, SECTION 8, APPLICATION IS HEREBY MADE
BY

LEGAL NAME OF
APPLICANT CREDIT UNION: _____

TRADE NAME OF
APPLICANT CREDIT UNION: _____

MAIN OFFICE ADDRESS: _____

COUNTY: _____

TELEPHONE: _____

FOR WRITTEN CONSENT OF THE COMMISSIONER OF BANKS TO ESTABLISH AND MAINTAIN A BRANCH
OFFICE AT/WITHIN:

ADDRESS: _____

CITY OR TOWN: _____

(IF WITHIN/AT A SUPERMARKET, MALL, ETC., SPECIFY THE NAME)

COUNTY: _____

THIS APPLICATION IS TO BE FILED TOGETHER WITH THE APPENDICES IN DUPLICATE. ANSWERS MUST BE
PROVIDED FOR EACH QUESTION CONTAINED IN THIS APPLICATION. USE SUPPORTING SCHEDULES WHERE
NECESSARY.

AN APPLICATION FEE OF \$500.00 PAYABLE TO THE DIVISION OF BANKS MUST BE SUBMITTED AT THE TIME
OF FILING THE APPLICATION.

APPLICATION
COORDINATOR: _____

TITLE: _____

MAILING
ADDRESS: _____

TELEPHONE: _____

FAX: _____

DATE: _____

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PROCEDURE FOR CONSIDERATION OF AN APPLICATION FOR ACTION
BY A CREDIT UNION

1. Two collated copies of an application containing the information requested on the attached pages must be filed before 5 P.M. on the fifteenth of the month of application, provided, however, that when the fifteenth falls on a Sunday or a legal holiday the next business day shall be the filing day. The application is to be addressed to the Commissioner of Banks and sent to the attention of the Legal Unit.
2. Upon acceptance of a completed application, the Division of Banks will forward a copy of a notice. The notice must appear one or more times in a newspaper/newspapers designated by the Division, generally ten to fourteen days prior to the end of the public comment period, or as directed by the Division.
3. Copies of the notice must be posted in the lobby at all offices of the applicant upon receipt and remain posted until the end of the comment period.
4. Any person other than the applicant should file communications, including briefs, in favor of or in protest not later than the end of the comment period. Comments received by the Division will be forwarded to the applicant.
5. All communications, including the application, will be available for public inspection at this Division. The entire application is a public record as defined by Massachusetts General Laws chapter 66, section 10. Therefore, reference to CAMEL ratings may not be used in any narrative or financial analysis as support for the transaction.
6. A public hearing may be held if the response is considered significant or circumstances warrant such a hearing, as determined by the Commissioner. If a public hearing is to be held, this Division will then forward further information.
7. The Division will send all information relative to the application to the application coordinator specified by the applicant.
8. A subsequent written notification is to be submitted by the applicant to the Commissioner of Banks of the consummation of the transaction within one year of the approval date. Extensions of time may be granted at the discretion of the Commissioner upon written request detailing the applicant's reason for seeking the time extension. A filing fee of \$100.00 is required for an extension. The applicant should obtain additional instructions from the Division prior to seeking an extension.

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APPLICATION TO ESTABLISH AND MAINTAIN

A BRANCH OFFICE

SECTION ONE - PROPOSED BRANCH OFFICE

All responses must be made in sequence and labeled as indicated on this application.

1. Detail the applicant credit union's reasons for seeking to establish and maintain the proposed branch office.
2. Provide a statement addressing how the membership of the credit union would benefit by the establishment and maintenance of the proposed branch office.
3. Indicate the current services offered by the applicant credit union together with any new or expanded programs resulting from the establishment of the proposed branch office. Project any changes in the loan or investment portfolio of the applicant credit union as a result of the proposed branch office.
4. Indicate the anticipated opening date and daily hours of operation of the proposed branch office. Describe any actions needed to be taken by the applicant credit union which may delay the proposed branch opening, such as completing special renovations, obtaining governmental permits, complying with land use restrictions or other similar acts.
5. If the site of the proposed branch office is not in the same county show that the proposed location is within twenty-five miles of the main office, as required by Massachusetts General Laws chapter 171, section 8, and state the method and materials on which such calculation was based. State whether or not the credit union has consummated or will consummate a merger whereby an office or offices will be maintained or has opened or will open a branch office outside its home county during this calendar year.
6. Provide a physical description of the building premises. Specify the amount of available parking, walk-up, drive-up, handicapped access, vault, safe deposit boxes, automated teller or other facilities.
7. Provide a description of the buildings and area surrounding the proposed branch office. Comment on the local traffic patterns, including public and private transportation, zoning, building or construction restrictions or other dominant characteristics of the area surrounding the proposed branch office site.
8. Indicate the full-time or part-time management and employee staff positions scheduled at the proposed branch office. Outline the main functions and responsibilities of each position.
9. Indicate whether the proposed site will be leased or purchased by the applicant credit union. Identify the person or entity from whom the proposed branch office will be leased or purchased. In accordance with the policy of this division, exclusive lease provisions and restrictive covenants are defined as clauses which have the effect of regulating or limiting competition by precluding the sale or lease of the proposed site to a competing institution thereby frustrating the ability of the proposed branch office site to benefit the public. Identify and explain any exclusive clauses contained in the purchase or rental property agreement or any other branch office agreements between the applicant credit union and subsequent purchasers or lessees. If the agreement lacks exclusive or restrictive clauses, provide a statement in Appendix D certifying the absence of such clauses.

10. In accordance with the policy of this Division, an insider is defined generally as an operating officer or person effectively controlling 10% or more of an institution thereby having special knowledge or access to confidential information. Identify and explain any oral or written agreement or understanding made in connection with the purchase or lease of the proposed branch office from any insiders of the applicant credit union. Indicate any direct or indirect benefit to any insider as compensation or inducement in assisting or consummating the proposed branch office transaction. Indicate whether the governing board of the applicant credit union has reviewed the insider involvement in connection with the establishment and maintenance of the proposed branch office and the result of that review.

SECTION TWO - SERVICE AREA

1. Identify the current members and/or sources of potential new members which the credit union seeks to service by the establishment and maintenance of the proposed branch office.
2. Describe the marketing methods expected to be used by the applicant credit union to advise current members and/or solicit new members within the service area of the proposed branch office.
3. Provide a statement showing net new benefits to be derived from the proposed transaction. The term net new benefits means initial capital investments, job creation plans, consumer and business services, commitments to maintain and open branch offices within a credit union's delineated local community and such other matters as may be deemed to benefit the community.

SECTION THREE - FINANCIAL INFORMATION

1. Identify the cost to purchase or rent the premises of the proposed branch office location. Provide the assessed value of the property purchased.
2. Identify the cost to purchase or rent the furniture, fixtures and equipment for the proposed branch office. Itemize the cost of walk-up, drive-up, handicap and automated teller facilities, parking, vaults, safe deposit boxes or other facilities.
3. Describe and estimate the projected costs of any improvements or renovations for the proposed branch office.
4. Identify the amount of shares, if any, to be transferred to the proposed branch office and the location of each branch office from which the transfer will occur.
5. List the address, including the city, town and county of each branch office opened during the past three calendar years. Include the date of approval and date of opening.

6. Project the annual occupancy costs of the proposed branch office for the next three calendar years designated as Y1, Y2, Y3 respectively.

	Y1	Y2	Y3
SALARIES			
UTILITIES			
INSURANCE			
COMPUTER SERVICES			
BUILDING MAINTENANCE			
DEPRECIATION ON BUILDING AND FIXTURES			
SECURITY			
ADVERTISING			
OTHER COSTS IN AGGREGATE			

7. Project the requested information for the proposed branch office during the next three calendar years designated as Y1, Y2, Y3 respectively.

	Y1	Y2	Y3
SHARE ACCOUNTS			
N.O.W. ACCOUNTS			
MONEY MARKET DEPOSIT ACCOUNTS			
TERM SHARE ACCOUNTS			
DIVIDENDS AND INTEREST ON SHARE ACCOUNTS			
LOANS			
INCOME			
EXPENSES			
PROFIT/LOSS			

8. Provide the requested information for each branch office opened within the past three calendar years designated at Y1, Y2, Y3 respectively.

[illegible]

SECTION FOUR - INVESTMENTS IN CREDIT UNION PREMISES

1. Compute the aggregate amount invested in the purchase or lease of a suitable site and the erection or preparation of a suitable building or for alterations, improvements or additions thereto for the convenient transaction of its business compared to the limitations in Massachusetts General Laws chapter 171, section 75 and provide that calculation. Include the amount invested in approved but unopened branch offices and specify the location of each unopened branch office.
2. If the establishment of the proposed branch office will require additional approval of the Commissioner of Banks pursuant to Massachusetts General Laws Chapter 171, section 75, enclose a separate letter addressed to the Commissioner requesting approval of the investment and stating the amount in excess of the prescribed statutory limit.

SECTION FIVE - INVESTMENT IN ELECTRONIC DATA PROCESSING EQUIPMENT

1. Compute the aggregate amount invested in electronic data processing equipment compared to the limitations of Massachusetts General Laws Chapter 171, section 75 and provide that calculation. Include the amount invested in approved but unopened branch offices and specify the location of each unopened branch office.
2. If the establishment of the proposed branch office will require the additional approval of the Commissioner of Banks pursuant to Massachusetts General Laws Chapter 171, section 75, enclose a separate letter addressed to the Commissioner requesting approval of the investment and stating the amount in excess of the prescribed statutory limit.

SECTION SIX - ELECTRONIC BRANCHES

An applicant credit union must obtain a separate approval of the Commissioner of Banks only to share an electronic branch located at the proposed branch office site. In order that accurate and complete records of electronic branches may be maintained, submit a form, attached, for each electronic branch with the completed application. The form may only be used if the applicant credit union has existing electronic branches. Please contact the Division's Electronic Data Process Section for the proper application if it would be the applicant credit union's first electronic branch.

SECTION SEVEN - BY-LAW AMENDMENT

The application process to establish and maintain a branch office is separate and distinct from the application process for approval of the Commissioner of Banks to make effective a by-law amendment which changes the conditions of association which qualify persons for membership in a credit union in accordance with Massachusetts General Laws chapter 171, section 10. If applicable, an application for approval to amend the by-laws of a credit union must be completed and submitted to the Division of Banks and approval granted by the Commissioner prior to the submission of the credit union's petition to establish and maintain a branch office.

APPLICATION TO OPERATE/SHARE ADDITIONAL ELECTRONIC BRANCH*

Please submit a completed form for each electronic branch (ATM).

1. Name and address of the owner/operator of the proposed ATM

2. Address of the new ATM

Street

City/town State Zip Code

3. ATM location. Check one:

_____ At the bank's main office or a branch office

_____ At other than a banking office, including freestanding at a banking office location

4. ATM identifier number (If not available at time of application, number may be provided at time of activation.) _____

5. Primary ATM servicer/switch _____

6. Name(s) of network(s) which will be sharing the ATM

7. Will the ATM impose a surcharge upon users? Yes _____ No _____ Amount _____

8. Contact person at bank _____

Telephone number _____ Date _____

*If bank has not received initial approval to operate/share its first electronic branch, a full GL 167B, Section 4 application must be submitted.

**Please notify the MIS Section of the Division of Banks in writing of the date on which this ATM commences sharing transactions. Include the ATM identifier number.

APPENDICES

- A. CERTIFIED COPIES OF THE VOTE OF THE BOARD OF DIRECTORS OF THE APPLICANT CREDIT UNION AUTHORIZING THE PROPOSED ACTION AND THE EXPENDITURE OF FUNDS. EACH COPY OF THE AUTHORIZING VOTES MAY BE CERTIFIED WITH A SIGNATURE AND DATED BY ANY CREDIT UNION OFFICIAL. AT LEAST ONE COPY MUST BEAR AN ORIGINAL DATE AND SIGNATURE OF A CREDIT UNION OFFICIAL. THE VOTE MUST BE TIMELY, OCCURRING WITHIN THE PREVIOUS TWELVE MONTHS OF THE DATE OF APPLICATION. THE VOTE MUST ALSO INDICATE THAT A QUORUM OF MEMBERS WAS PRESENT AND VOTING, THAT THE VOTE HAS NOT BEEN RESCINDED OR REVOKED, EXPRESS AN INTENT TO ACCOMPLISH THE PROPOSED ACTION AND ESTIMATE THE EXPENDITURE OF FUNDS BY THE APPLICANT CREDIT UNION. IF THE GOVERNING BOARD HAS DELEGATED THIS AUTHORITY TO ANOTHER ENTITY WITHIN THE CREDIT UNION, THEN A COPY OF THE GOVERNING BOARD'S VOTE OR OTHER AUTHORITY OF SUCH DELEGATION MUST ALSO BE SUBMITTED.
- B. IDENTIFY THE DAILY NEWSPAPER OR NEWSPAPERS WITH THE LARGEST PAID CIRCULATION PUBLISHING IN THE CITY OR TOWN OR IF NO SUCH CITYWIDE OR TOWNWIDE DAILY PUBLICATION EXISTS, IN THE GENERAL AREA OF THE MAIN OFFICE OF THE APPLICANT CREDIT UNION AND THE SUBJECT BRANCH OFFICE, IF DIFFERENT.
- C. PROVIDE THE MOST RECENT INCOME STATEMENT AND BALANCE SHEET OF THE APPLICANT CREDIT UNION.

NOTE: THE APPLICANT'S PERFORMANCE UNDER THE COMMUNITY REINVESTMENT ACT ("CRA") IS REVIEWED AS PART OF THE APPLICATION PROCESS FROM REPORTS OF EXAMINATION AND ANNUAL REPORTS CURRENTLY IN THE POSSESSION OF THE DIVISION. THE WRITTEN EVALUATION OF THE APPLICANT'S CRA PERFORMANCE AND ITS RATING IS AVAILABLE TO THE PUBLIC.